



March 11, 2014

SB 299

Written testimony of Rick Bologna, General Manager, Westmore Fuel Co., Inc.

Chairman Doyle, Chairman Baram, Members of the General Law Committee.

My name is Rick Bologna and I a third generation Fuel dealer. My company, Westmore Fuel Co., Inc. employs 38 people and serves over 5000 customers in southwestern Fairfield County. This year we celebrate our 76th year in business.

I come here today in opposition of section SB 299 that establishes a new guaranty fund on heating oil dealers. In my opinion, the proposed guaranty fund penalizes dealers like ourselves who have been prudently managing their businesses for decades, and delivering on what we promised to sell. For companies like us, our customers come first, and the proposed guaranty fund will be like a tax on my business that I cannot absorb, and unfortunately I would have to pass this cost on to my customers.

Also the state does not have a good record historically of managing tax funds on gasoline, and I believe funds from a guaranty fund on heating oil would suffer the same fate as the state excise tax on gasoline. For example, the state gasoline gross earnings tax was designed to fund pollution clean-up. That tank fund was eliminated last year and the tax flows entirely into general revenue. I feel it would be too tempting for legislators to raid any new revenue fund that is created.

In closing, I respectfully request that you do not create a guaranty fund on heating oil because it will penalize more than 500 dealers in CT that have taken their customers interests first, which include agreeing to prudent price agreements with customers and delivering on them year in and year out.

Thank you.

